

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE LICKING VALLEY RURAL)	
ELECTRIC COOPERATIVE CORPORATION FOR THE)	
AUTHORIZATION TO BORROW TWO MILLION, NINE)	
HUNDRED EIGHTY NINE THOUSAND DOLLARS)	CASE NO.
(\$2,989,000.00), FROM THE NATIONAL RURAL)	96-583
UTILITIES COOPERATIVE FINANCE CORPORATION,)	
AND TO EXECUTE A SECURED PROMISSORY NOTE)	
FOR SAID SUM)	

ORDER

IT IS ORDERED that Licking Valley Rural Electric Cooperative Corporation ("Licking Valley") shall file the original and eight copies of the following information with the Commission with a copy to all parties of record within seven days from the date of this Order.

1. Refer to Item 7 of the Commission's Order dated January 21, 1997. In Case No. 96-153,¹ the Commission approved a Certificate of Public Convenience and Necessity for construction projects totalling \$9,186,500. If the Commission does not authorize any additional construction, what impact would this have on the pending application totalling \$9,962,000 before the Commission and the applications with the lenders?

2. Refer to Item 7 of the Commission's Order dated January 21, 1997. Licking Valley states that the total financing is \$2,962,000. The application states that the total loan is \$9,962,000. Explain the difference.

¹ Case No. 96-153, The Application of Licking Valley Rural Electric Cooperative Corporation for a Certificate of Public Convenience and Necessity to Construct a Four (4) Year Work Plan, Interim Order dated December 6, 1996.

3. Refer to Item 6 of the Commission's Order dated January 21, 1997. Is Licking Valley required by RUS to revise its 740c? If yes, provide a copy.

4. In your response to Item 7 of the Commission's Order dated January 21, 1997, you indicated that the maximum impact of the Commission's decision to defer approval of projects 312-3 and 317-6 would be a \$41,500 reduction in construction expenditures. Will you agree that if a determination is made that a new substation is feasible, the substation will be constructed by East Kentucky Power Cooperative Corporation and Licking Valley will not incur the expenditure of \$755,500 for Projects 312-3 and 317-6?

Done at Frankfort, Kentucky, this 18th day of February, 1997.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director